CALENDAR OF EVENTS
July – September 2012

5 July 2012

At its fourth meeting for 2012, the Bank's Monetary Policy Committee (MPC) decided to maintain the Overnight Policy Rate (OPR) at 3.00%. The MPC's assessment was that there continues to be considerable uncertainties in the global economic and financial environment. Going forward, the MPC will continue to carefully assess the evolving economic conditions and their implications on the overall outlook for inflation and growth of the Malaysian economy. At its subsequent meeting on 6 September, the MPC kept the OPR at the same level, citing that the current stance of monetary policy is accommodative and supportive of the economy.

12 July 2012

The Bank announced that the new Malaysian banknotes series will come into circulation starting 16 July 2012. The new banknotes uses state of the art banknote technology to enhance security features including watermark portrait with pixel and highlighted numerals while the visually impaired are able to use specific features such as tactile identification to identify and distinguish different denominations. The new banknotes co-circulates with the existing banknotes which remain as legal tender. Members of the public will be able to obtain the new banknotes through their normal business transactions. Subsequently on 10 August 2012, the Bank informed the general public that there is sufficient supply of the new banknotes to meet festive demand for payments and business transactions, with all commercial banks required to ensure that their branches have sufficient supply of banknotes to meet public demand.

15 August 2012

The Bank announced that the Malaysian economy recorded a higher growth of 5.4% in 2Q 2012 (1Q 2012: 4.9%) despite the challenging external environment. Growth was driven by stronger domestic demand, supported by both robust private and public sector spending. On the supply side, most economic sectors continued to expand led by the services, manufacturing and construction sectors. Meanwhile, the headline inflation rate moderated to 1.7% in 2Q 2012(1Q 2012: 2.3%), attributed mainly to moderation in the food and non-alcoholic beverages amid a decline in prices of meat and vegetables.

On the same day, the Bank also introduced the framework for agent banking towards achieving a more inclusive financial sector. Recommended under the Financial Sector Blueprint, this initiative allows financial institutions to reach out to the underserved population particularly in rural areas in a more cost efficient manner through the use of non-bank retail outlets. Authorized banking agents will provide basic banking services such as deposits and withdrawals, fund transfers, bill payments and financing repayments. The Bank also issued the Guidelines on Agent Banking to the financial institutions to ensure that agent banking is conducted in a safe and reliable manner. The Guidelines outlined the requirements to be observed by financial institutions in the areas of governance and oversight, management of agents, customer protection, awareness and education. All authorised banking agents will display a national agent banking logo together with the logo of the financial institutions to facilitate the public to identify the authorised agents and the availability of the basic banking services.

23 August 2012

Governor Dr. Zeti was named as one of the world's six best Central Bankers for 2012 by the Global Finance magazine. She has been given the "A" rating for the eighth time (out of nine years) in the magazine's annually-published feature entitled "Central Banker Report Card" for successes mainly in areas such as inflation control, economic growth goals, currency stability and interest rate management.

1 September 2012

In her speech at the Economic Symposium 2012 in Jackson Hole, United States, Governor Dr. Zeti highlighted that the new global policy frontiers are now addressing the challenges of the new global economic and financial landscape. Given the more connected and inter-dependent world, the call is for strengthening the cross-border dimension of policy-making. She added that Asia has taken advantage of this period of relative stability to advance economic and financial integration, and to strengthen the economic potential. Although Asia will continue to be vulnerable to external developments and future shocks, to be in a better state of readiness to withstand these eventualities, the policy priority is to build resilience. This includes not only having the buffers and institutional capacity, but also to come together collectively to manage the new challenges, and thus be positioned to contribute constructively to global stability and growth.

18 – 20 September 2012

The Bank hosted the third Global Islamic Finance Forum (GIFF) 2012 themed "Internationalisation of Islamic Finance: Bridging Economies" in Kuala Lumpur. A key international event in the calendar of Islamic finance, the GIFF 2012 brought together regulators, scholars and financial industry players to discuss and exchange insights on the growth potential and opportunities in the internationalisation of Islamic finance. In her welcoming address at GIFF 2012, Governor Dr. Zeti emphasised that the new horizon that is emerging is the rapid internationalisation in Islamic finance which needs to be strongly underpinned by three key factors to ensure its sustainability. Firstly, a wide range of global supply of high quality Islamic finance products and services that are able to meet the international businesses' requirements. Secondly, diverse and dynamic intermediaries and market participants that have a global focus, besides having the required talents. Thirdly, effective linkages and connections between global financial markets will be facilitated by business enablers, particularly in the areas of legislation, taxation and regulation. In conjunction with GIFF 2012, an eminent Islamic banker who is Dubai-based Fajr Capital's CEO, Iqbal Khan, was named as the second recipient of the Royal Award for Islamic Finance for his exceptional leadership and dedication in Islamic finance. The Award is regarded as a global benchmark in identifying exceptional individual who has made outstanding contributions to the development of Islamic finance globally.

19 September 2012

The Bank accorded "Emas" status for the issuances of Axiata Group Berhad (Axiata) RMB1 billion sukuk, the Islamic Development Bank (IDB) USD800 million sukuk and Khazanah Nasional Berhad (Khazanah) USD357.8 million exchangeable sukuk. These sukuk issuances follow a series of foreign currency Islamic financing instruments previously issued in Malaysia since 2009 as Malaysia increasingly becomes a multi-currency sukuk market.

27 – 28 September 2012

The Bank conducted two seminars in Kuala Lumpur and Penang on Renminbi Trade Settlement and Investment in Malaysia to enhance public awareness on prospects of using renminbi for the purposes of trade settlement and investment. The seminars attracted more than 800 participants, comprising mainly senior officials from the financial and corporate sectors. Several topics of key interest were presented to the businesses including value proposition for the use of renminbi in business dealings with China; regulatory and operational aspects on the use of renminbi; and the potential for funding and foreign direct investment activities in renminbi. In her keynote address at the seminar in Kuala Lumpur, Governor Dr. Zeti underlined that while existing international reserve currencies will remain important, the availability of the renminbi provides companies with an additional currency to be deployed for business dealings with China. She added that Malaysian exporters and importers needed to have greater awareness of the facilities available to conduct their trade and investment activities. She also remarked that the wider role of the renminbi in trade and finance is one of the changes that will shape international finance and thus will present as an additional reserve currency in the international financial system.